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S E C R E T SECTION 01 OF 02 ISLAMABAD 002799

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E.O. 12958: DECL: 06/21/2017
TAGS: [PGOV](#) [PK](#) [PREL](#) [PTER](#) [SNAR](#)
SUBJECT: PRIME MINISTER STRESSES NEED FOR STABLE
AFGHANISTAN DURING MEETING WITH DEPUTY SECRETARY

Classified By: Charge d'Affaires Peter W. Bodde, Reason 1.4 (G)

11. (C) SUMMARY: Deputy Secretary Negroponte, Assistant Secretary Boucher, and Charge d'Affaires Bodde met with

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Prime Minister (PM) Aziz on June 16. The PM stressed the importance of a stable Afghanistan and expressed concern about Afghan drug production. He reiterated Pakistan's commitment to fighting terrorism and said that Afghanistan was hiding terrorists wanted by Pakistan. The PM also said he would like the Strategic Dialogue between Pakistan and the U.S. to be more action oriented and hoped that a Bilateral Investment Treaty (BIT) could be settled in the context of a Free Trade Agreement (FTA) with the U.S. He discussed Iran's role in the Middle East and shared his thoughts on domestic politics. END SUMMARY.

AFGANISTAN AND TERRORISM

12. (C) During a June 16 meeting with Deputy Secretary John Negroponte, Assistant Secretary for South and Central Asia Richard Boucher, and Charge d'Affaires i.a. Peter Bodde, Prime Minister Shaukat Aziz stressed the importance of a stable Afghanistan. Because of their long porous border, Afghanistan was the most important country for Pakistan. The PM said his biggest concern was Afghan drug production. There was a strong link between drug money and international terrorism and issues of terrorism and security could not be resolved until drug production was addressed. Both the U.S. and the European Union could and should do more to tackle the problem.

13. (C) The PM noted positive developments between the nations. He reported that, during his recent visit, Kabul had looked improved. He agreed with President Karzai that Afghan refugees should be gradually returned to Afghanistan. The PM noted the refugee camps operated as safe havens for terrorists and caused security problems for both nations. In hindsight, the PM said, letting the refugees integrate into Pakistani society may have been a mistake.

14. (C) Aziz reported the jirga process with Afghanistan was

going well. It was important to support Karzai in this regard. However, he echoed other government statements that Pakistan did not want a third party involved in the jirga.

15. (C) A stable Afghanistan, the PM noted, would help keep terrorists out of Pakistan. Pakistan would never knowingly allow terrorists on its soil and Pakistan could not allow itself to be a safehaven for terrorists plotting against the rest of the world. The PM and Pakistan as a country had been the victims of terrorist attacks and Pakistan would go after terrorists with a vengeance.⁸ He also noted, though, that the Afghan border was porous, the refugee situation exacerbated the terrorism problem, and there sometimes was local support for militants. The PM also highlighted that Afghanistan was holding terrorists wanted by Pakistan. The PM had discussed the issue of wanted Baloch militants hiding in Afghanistan with President Karzai, reminding the President that the problem exacerbated the trust deficit between the two countries.

STRATEGIC DIALOGUE

16. (C) The PM was pleased the Deputy Secretary would lead the next round of the Strategic Dialogue. The Dialogue should be results oriented, not just a photo opportunity. Both countries were responsible for making the dialogue fruitful. While eschewing details, the PM also hoped the dialogue would settle a Bilateral Investment Treaty (BIT) in the context of a Free Trade Agreement (FTA) between the countries (reftel).

IRAN AND THE MIDDLE EAST

17. (S) The PM raised Iran and the Middle East. He agreed

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Iran was acting aggressively against the U.S. and said it appeared Iranian policy was to create problems for the U.S. any way it could. He claimed Pakistan had evidence Iran was trying to foment controversy over the Danish cartoon issue in Pakistan before President Bush's March 2006 visit. As soon as President Bush left the country, Iran stopped its efforts and the controversy subsided, according to Aziz.

18. (S) Despite such evidence, Pakistan had to engage Iran because of their shared border and Iran's ability to cause trouble. Aziz noted that Pakistan already received electricity and gas from Iran. He hoped negotiations with Iran for a gas pipeline would be successful. Aziz reported that negotiations were difficult because Iran was not rational and has a complicated political decision-making process.

PAKISTAN DOMESTIC POLITICS

19. (C) The PM shared his thoughts on Pakistan's domestic politics.

--Bringing a reference against the Chief Justice was a difficult decision and a sad day for Pakistan. Because of clear issues of integrity, quality of judgments, and the overstepping of judicial authority, President Musharraf and the PM decided to go forward with the reference. While they did not predict the lawyers' reaction properly, the issue would pass in time after the Supreme Court gave its judgment.

--Karachi's May 12 violence created anxiety throughout the country. Opposition parties were trying to politicize the issue for their advantage.

--The recent budget would help the people and economy of Pakistan and could be termed an election-year budget.

--Elections would likely occur between September 15 and October 15. Pakistan has always welcomed election observers, the best of whom would be the Pakistani press.

--President Musharraf says he will abide by the Constitution and the Constitution states he can keep both his military and political offices until the end of the year.

--Religio-political parties are not a significant issue. Rather, the real problem is those extremist groups who believe in violence rather than the ballot box.

--Pakistan cannot allow the Talibanization of its society. Military action alone will not suffice. Economic, religious, cultural, and social issues must be addressed.

The Deputy Secretary's office has reviewed this message.
BODDE